

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or
Revocation of the Licenses to Conduct
Gambling Activities of:

Tin Hat,
Kennewick, Washington,

Licensee.

No. CR 2012-01161

**NOTICE OF ADMINISTRATIVE
CHARGES AND OPPORTUNITY
FOR ADJUDICATIVE PROCEEDING**

I.

The Washington State Gambling Commission issued Tin Hat, organization number 00-21828, the following licenses:

- Number 65-07259, Authorizing Class "D" Public Card Room activity.
- Number 05-20798, Authorizing Class "B" Punchboard/Pull-Tab activity.

The licenses expire on March 31, 2013, and were issued subject to the licensee's compliance with state gambling laws and regulations.

II.

Rick Day, Director of the Washington State Gambling Commission, charges the licensee with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

SUMMARY:

The licensee failed to timely submit its punchboard/pull-tab activity report for the first and second quarters of 2012. The report was due by July 30, 2012. Commission staff received Tin Hat's Quarterly Activity Report on September 7, 2012.

FACTS:

- 1) On September 4, 2012, a Washington State Gambling Commission Special Agent (agent) was assigned to the case.
- 2) On September 6, 2012, the agent spoke with Shanna Atwood, owner of Tin Hat. The agent told her the activity report was late and a case report would be written for the violation. Ms. Atwood said she would submit the activity report for the first and second quarters the next afternoon.

3) On September 7, 2012, Ms. Atwood submitted the activity reports. This is the fifth time out of the last five reporting cycles that the licensee has failed to timely submit its activity reports, as summarized below:

Quarter	Due Date	Date Received
2010-1/2	7/30/2010	08/02/2010
2010-3/4	1/30/2011	03/21/2011
2011-1/2	7/30/2011	10/14/2011
2011-3/4	1/30/2012	03/16/2012
2012-1/2	7/30/2012	09/07/2012

4) The licensee was issued two Notices of Violations and Settlements (NOVAS)¹ for late reporting, on September 15, 2011, and February 29, 2012.

VIOLATIONS:

RCW 9.46.075 Denying, suspending, or revoking of a license, or permit

Provides that the commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein:

(The following subsection applies.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

WAC 230-03-085 (1), (3), and (7) Denying, suspending, or revoking a license or permit

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.

¹ NOVAS –A Notice of Violation and Settlement identifies the violation and gives the licensee the opportunity to pay a fine to settle the matter.

(7) Fails to provide us with any information required under commission rules within the time required, or, if the rule establishes no time limit, within thirty days after receiving a written request from us.

WAC 230-14-284 Activity reports for punch board and pull-tab licensees.

Punch boards and pull-tab licensees must submit an activity report to the commission. Licensees must complete the report in the format we require and must:
(The following subsections apply.)

- (1) Cover the periods: (a) January 1 through June 30; and (b) July 1 through December 31; and
- (2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period; and
- (3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the punch board and pull-tab licensee or its employee prepares the report, then it must provide the preparer's name and business telephone number; and
- (4) Be filed even if they do not renew their license. They must file a report for the period between the previous report filed and the expiration date of the license; and
- (5) Unless they are also licensed for Class D or above bingo, charitable and nonprofit licensees must submit a semiannual activity report for punch boards and pull-tabs; and
- (6) Class D or above bingo licensees with a punch board and pull-tab license must report punch board and pull-tab activity, on the combined quarterly report provided by the commission as explained in WAC 230-10-331.

The licensee's failure to timely submit its activity reports demonstrates its willful disregard for complying with WAC 230-14-284. Therefore, grounds exist to suspend or revoke Tin Hat's licenses under RCW 9.46.075 (1) and WAC 230-03-085(1), (3) and (7).



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Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

In order to have a hearing or discuss settlement options, the enclosed REQUEST FOR HEARING must be COMPLETED AND RETURNED to the Gambling Commission *within 23 days* from the date of the mailing of this notice.

Based on RCW 34.05.440, failure to return this document will result in the entry of a default order REVOKING your licenses.

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

Rick Day, being first duly sworn on oath, deposes and says: That he has read the foregoing Notice of Administrative Charges and Opportunity for Adjudicative Proceeding, knows the contents thereof, and believes the same to be true, and that he is the Director of the Washington State Gambling Commission and in that capacity has executed said Statement of Charges.

RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before
me this 12 day of October, 2012.

NOTARY PUBLIC in and for the State of
Washington residing at: Thurston County
My commission expires on December 2, 2012

STATE OF WASHINGTON)
)
COUNTY OF THURSTON)

I certify I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy, property addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 12 day of October 2012

Tin Hat
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